

**STATE OF RHODE ISLAND
INVESTMENT COMMISSION MEETING**

**DATA AT
January 31, 2012
February 27, 2011
MEETING**

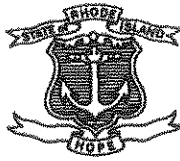
MEMBERS OF THE STATE INVESTMENT COMMISSION

Honorable Gina M. Raimondo, Chair

**Ms. Rosemary Booth Gallogly
Mr. Thomas P. Fay
Ms. Paula M. McNamara
Mr. Andrew K. Reilly**

**Mr. J. Michael Costello
Mr. Robert Giudici
Ms. Marcia Reback**

AGENDA



State of Rhode Island and Providence Plantations
Office of the General Treasurer

Gina M. Raimondo
General Treasurer

**RHODE ISLAND STATE INVESTMENT COMMISSION
MEETING NOTICE**

The next meeting of the Rhode Island State Investment Commission has been scheduled for Monday, February 27, 2012 at 9:00 a.m. in Room 135 of the State House.

AGENDA

1. Chairperson Call to Order
2. Membership Roll Call
3. Approval of Minutes
 - State Investment Commission Meeting held on January 25, 2012 *
4. Alternative Consultant---Centerbridge Special Credit Partners II Recommendation*
5. Defined Contribution Plan Vendor Selection*
6. General Consultant Update
7. Legal Counsel Report
8. Chief Investment Officer Report
9. Treasurer's Report

* Commission members may be asked to vote on this item.

POSTED ON THURSDAY, FEBRUARY 23, 2012

APPROVAL OF MINUTES



State Investment Commission

Monthly Meeting Minutes

Wednesday, January 25, 2012

9:00 a.m.

Room 135, State House

The Monthly Meeting of the State Investment Commission (SIC) was called to order at 9:06 a.m., Wednesday, January 25, 2012 in Room 135, State House.

I. Roll Call of Members

The following members were present: Ms. Rosemary Booth Gallogly, Mr. J. Michael Costello, Mr. Thomas Fay, Mr. Robert Giudici, Ms. Paula McNamara, Ms. Marcia Reback, Mr. Andrew Reilly and General Treasurer Gina Raimondo.

Also in attendance: Ms. Sally Dowling and Alison Albanese, of Adler Pollock, & Sheehan, Legal Counsel to the Commission; Mr. John Burns, of Pension Consulting Alliance (PCA), General Policy Consultant to the Commission; Mr. Thomas Lynch of Cliffwater, Alternative Investment Consultant to the Commission; Ms. Lisa Tyrell and Mr. Nick Katsikis, of State Street Corporation; Kenneth Goodreau, chief investment officer and members of the Treasurer's staff.

Treasurer Raimondo called the meeting to order at 9:06 a.m.

II. Approval of Minutes

On a motion by Mr. Fay and seconded by Ms. Reback, it was unanimously **VOTED: To approve the draft of the minutes of the November 23, 2011 meeting of the State Investment Commission.**

III. Ocean State Investment Pool (OSIP) Investment Policy

Vincent Izzo, cash manager briefly updated the SIC on the status of OSIP's legal paperwork. He referenced Fidelity's presentation and explained the second document, the investment policy. Nothing in the investment policy violates any existing Rhode Island laws and its primary objective is safety, followed by liquidity and yield.

Treasurer Raimondo asked Mr. Izzo to explain the exemption to go over 25% in financials. He explained this is standard practice in pools like this. As an example Massachusetts has the same section in their guidelines. Fidelity's investments are completely transparent and Treasury has the ability to order them to retrench back to 25% if appropriate.

Treasurer Raimondo mentioned Fidelity must give us notification when they go above 25%. Ms. Booth Gallogly and Mr. Izzo discussed the effects on the general fund cash.

On a motion by Mr. Reilly and seconded by Mr. Giudici, it was unanimously **VOTED: To approve the OSIP Investment Policy, given Fidelity agrees to notify the SIC when they invest more than 25% in financials.**

IV. Defined Contribution Plan Update

Mark Dingley, legal counsel to the Treasurer stated the RFP selection committee received all the RFP responses and the group has followed the time schedule. Ms. Booth Gallogly and Mr. Dingley selected the Segal Company to assist with the selection and they have been helpful. Mr. Dingley stated the group also needs to make some final decisions on the design of the plan, such as elective contributions and hardship withdrawals and loans. The group also needs to decide the default investment vehicle if participants do not make a selection.

V. Real Estate Consultant

Treasurer Raimondo thanked the alternatives subcommittee for meeting twice in between SIC meetings. Mr. Goodreau reviewed what the committee discussed and what they expect from the consultant going forward. He explained PCA is best equipped to deal with our portfolio and they have a dedicated staff for real estate. Mr. Goodreau recommended terminating the relationship with Townsend group and replacing them with PCA. Mr. Costello added it helps to have PCA as real estate and general consultant and he was impressed with their presentation during the subcommittee. Mr. Reilly explained he has heard good things from people in the industry about members of the PCA real estate team. Treasurer Raimondo explained we will be paying PCA less than what we were paying Townsend while getting better services form PCA.

On a motion by Ms. Reback and seconded by Mr. Costello, it was unanimously **VOTED: To terminate Townsend and retain PCA as the real estate consultant for the SIC after finalization of documentation after legal counsel review.**

VI. Cliffwater Presentation

Mr. Lynch proposed fourth allocation of hedge fund to reduce total volatility to improve the Sharpe ratio for the portfolio. Mr. Lynch recommended Brigade for the final allocation to fixed income and Partner Fund Management (PFM) for the second to last allocation to global equity. Mr. Lynch recommended \$60 million to PFM and \$50 million to Brigade. For PFM, Mr. Lynch recommended half the allocation to share class B, the more liquid vehicle and half to share class A1. PFM only allows 50% to be in the more liquid vehicle. Mr. Lynch explained each fund has gone through their investment, operations and legal due diligence and provided a detailed overview of each. He stated, relative to Cliffwater's universe Brigade and PFM were in the top quartile of fund managers for performance.

On a motion by Mr. Fay and seconded by Mr. Giudici, it was unanimously **VOTED: to approve the recommendation made by Cliffwater on page two of five of the presentation, subject to negotiation and finalization of documentation after legal counsel review.**

VII. General Consultant Presentation

Mr. Burns reviewed the PCA risk metric report. He took the committee through the major changes in the past year including the asset liability study and the addition of hedge funds to the portfolio. He explained a lot of the bonds have a negative real return and proposed a group analysis of interest rate risk. Mr. Burns stated if interest rates rise quickly, fixed income will post negative returns.

Treasurer Raimondo reiterated 20% of the portfolio is a large allocation.

Mr. Goodreau explained we might also look into how rising interest rates would affect the entire portfolio, especially with real estate. He also stated he sold some TIPS at an all time high last year, reducing the allocation from 8% to 4%. The hedge fund allocation has allowed this part of the portfolio to become more diversified from TIPS. Mr. Goodreau said some things have been done that will help, but there is more to do.

VIII. Meeting Schedule

To assure all members would be present for the defined contribution manager selection, Ms. Booth Gallogly motioned, Ms. Reback seconded, and it was unanimously

VOTED: to move the February meeting from the 22nd to the 29th at 9:00am.

IX. Legal Counsel Report

Ms. Dowling updated the board on the paperwork for the seven hedge fund closings and the OSIP.

X. Chief Investment Officer Report

Mr. Goodreau explained the standard deviation of what has recently been put in the portfolio is a lot lower than the level the last twelve months.

Mr. Fay asked about Wellington and Mr. Goodreau mentioned Mr. Burns and himself will be meeting with them for a yearly review soon.

Mr. Goodreau introduced Kerri Baker, Renee Asphtan and Kem Edwards new members of Treasury's investment team and explained the new structure of the office.

XI. Treasurer's Report

Treasurer Raimondo explained the Treasury investment staff has made a trip to Cliffwater to learn the performance and risk monitoring system. She stated we need to be focused on the downside and reiterated we cannot have a negative -20% year like there was in 2008 /2009.

XII. Adjournment

There being no other business to come before the Board, on a motion by Ms. Reback and seconded by Mr. Reilly the meeting adjourned at 10:07 a.m.

Respectfully submitted,

Gina M. Raimondo
General Treasurer

STAFF SUMMARY

RHODE ISLAND STATE INVESTMENT COMMISSION
STAFF SUMMARY ANALYSIS
PORTFOLIO HIGHLIGHTS
January 31, 2012

PORTFOLIO PERFORMANCE

January

The ERSRI portfolio posted a 3.27% gain for the month of January, against the policy index of 3.56%. Global Equities gained 5.15%, the Fixed Income asset class returned 1.60%, and the Real Return class returned 2.00%. If we factor out PE & RE investments, due to the way they are monitored, the plan performance was 3.69% against its 3.67% index.

Calendar Year to Date

For the one month ending January 31, 2012, the portfolio is up 3.27% against the policy index of 3.56%. Global Equities were up 5.15%, fixed income returned 1.60%, while Real return generated a return of 2.00%.

Fiscal Year to Date

For the Fiscal Year ended June 30, 2012, the fund has lost 0.45%, against the policy index of 0.04%.

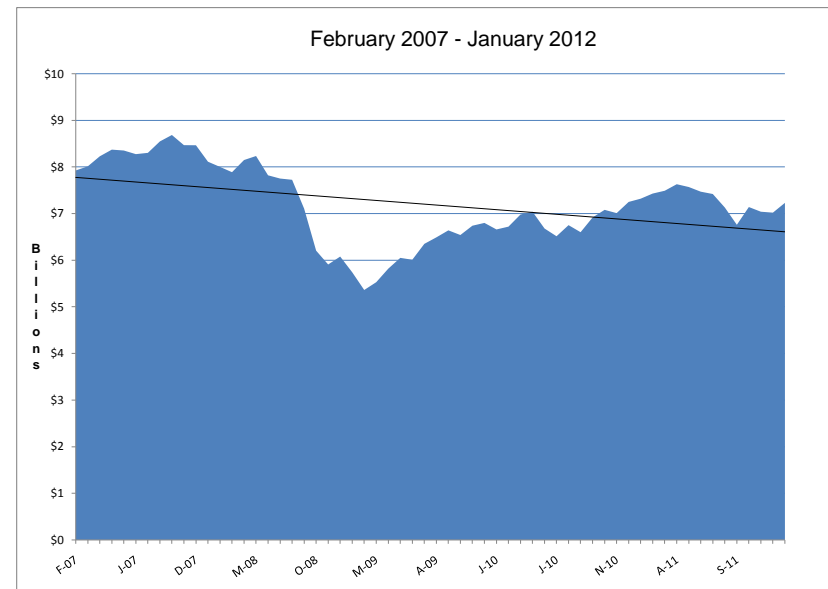
Index Performance Summary - January 31, 2012		
Market Indices	Jan-12	Calendar YTD
<u>Global Equity</u>		
S & P 500	4.48%	4.48%
MSCI AC World	5.81%	5.81%
Russell 2000	7.07%	7.07%
MSCI ACWI ex US	6.78%	6.78%
Policy Index	3.67%	3.67%
<u>Fixed Income</u>		
BC AGG	0.88%	0.88%
HFRI Fund Wgt Com	2.29%	2.29%
<u>Real Return</u>		
CPI +4%	0.08%	0.08%

ERSRI Performance By Asset Class	Jan-12	Calendar YTD
Global Equity	5.15%	5.15%
Fixed Income	1.60%	1.60%
Real Return	2.00%	2.00%
Total Fund Composite*	3.69%	3.69%
Manager Summary	Jan-12	CYTD
<u>GLOBAL EQUITY</u>		
Shott	0.00%	0.00%
SSgA S&P 500	4.49%	4.49%
Russell Overlay	0.05%	0.05%
Wellington Technical Eq	2.47%	2.47%
Russell 2000 Index	7.07%	7.07%
MSCI Ex US Index Fund	6.77%	6.77%
Global Equity Hedge Funds	1.48%	
Total Global Equity	5.15%	5.15%
<u>FIXED INCOME</u>		
Brown Bros Core	1.88%	1.88%
Fidelity	0.60%	0.60%
Taplin Canida & Habacht	2.02%	2.02%
Fixed Income Cash Acct	0.00%	0.00%
Mackay Shield	2.27%	2.27%
Alternative Fixed Income		
Total Fixed Income	1.60%	1.60%
<u>Real Return</u>		
Brown Bros TIPS	2.18%	2.18%
Alternative Absolute Return	1.53%	
Total Real Return	2.00%	2.00%
*Total Fund Composite includes all classes ex PE & RE		

**Market Valuation Report
January 31, 2012**

Market Values

The total portfolio value increased in January by \$207.2 million to \$7.23 billion. This compares with an increase in value of \$64.3 million for the same period in 2011. The Global Equity Market values increased by \$187 million, including transfers out of \$0.03 million; Fixed Income increased by \$21.4 million, including transfers out of \$0.01 million; The Cash Accounts decreased by \$28.6 million including transfers out of \$28.8 million, and Alternative Investments increased by \$8.2 million, including transfers in of \$6.9 million. The Real Return Pool increased by \$15.5 million including transfers in of \$0.0 million. The overlay account increased by \$3.8 million, including transfers out of \$0.0 million.



Cash Flow

January's pension payroll of \$76.0 million was greater than the \$56.0 million in contributions and wire transfers received by \$20.0 million.

To meet pension and other obligations, a transfer from long-term investments of \$22.5 million was necessary.

Alternative Investments

At this time the alternative investment asset class has unfunded commitments of approximately \$162.7 million on commitments of \$1,085 million.

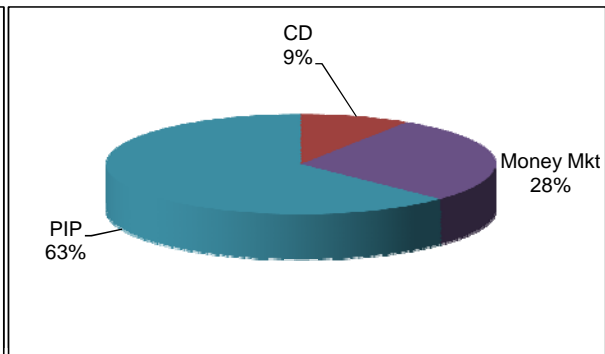
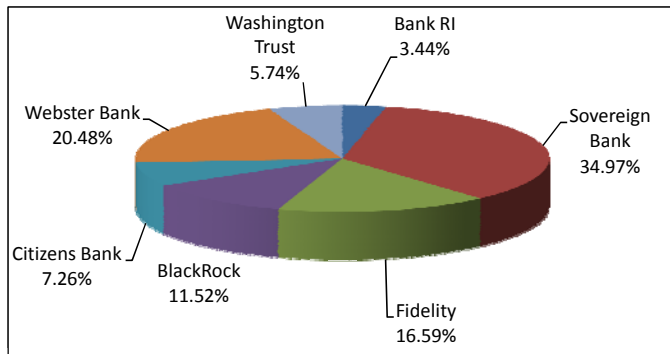
CAPITAL CALLS Net of Distributions

January 2012	FYTD	UNFUNDED BALANCE
\$7,975,878	-\$34,817,422	\$ 162,706,483
January 2011	FYTD	UNFUNDED BALANCE
-\$11,307,664	-\$53,788,610	\$183,702,404

**State of Rhode Island
Office of the General Treasurer
Short-Term Investments**

**Issuer Credit Ratings
January 31, 2012**

Issuer	Type of Instrument*	Month End % Portfolio	Issuer Ratings			S-T Debt Rating		L-T Debt Rating		Credit Outlook
			Moody's	Moody's	S&P	Moody's	S&P	S&P		
Bank RI	3,4	3.44%			N/R		N/R			
Sovereign Bank	3,4	34.97%	A2	P-1	A-1	A2	A		Negative	
JP Morgan Chase	2,3,5	0.00%	Aa1	P-1	A-1	Aa1	A+		Stable	
Federated	6	0.00%			N/R		N/R		N/R	
Fidelity	6	16.59%			N/R		N/R		N/R	
BlackRock Inc.	6	11.52%	A1	P-1	A-1	A1	A+		Stable	
State Street Bank & Trust Company	1,3	0.00%	Aa2	P-1	A-1+	Aa2	AA-		Negative	
RBS Citizens	3,4	7.26%	A2	P-1	A-1	A2	A		Stable	
Webster Bank	3,4	20.48%	A3	P-2	A-2	A3	BBB		Stable	
Oppenheimer	5	0.00%				B2	B+		Stable	
Washington Trust	3,7	5.74%			N/R		N/R		N/R	
Merrill Lynch	2,5,6	0.00%	Baa1	P-2	A-2	Baa1	A-		Negative	
Morgan Stanley	1,2,5	0.00%	A2	P-1	A-2	A2	A-		Negative	



REPO = Repurchase Agreement	1*
CP = Commercial Paper	2*
CD = Certificate of Deposit	3*
CoD = Collateralized Deposit	4*
AG = US Government Agency Note	5*
MM = Government Money Market	6*
GID = Government Insured Deposit	7*

Ratings Definitions

Moody's Short-Term Debt Ratings:

P-1 - Prime-1 have a superior ability for repayment of sr. S-T debt obligations
P-2 - Prime-1 have a strong ability for repayment of sr. S-T debt obligations
P-3 - Prime-1 have an acceptable ability for repayment of sr. S-T debt obligations
NP - Not Prime

Moody's Issuer Rating Symbols:

Aaa - Offer exceptional financial security (high-grade)
Aa - Offer excellent financial security (high-grade)
A - Offer good financial security
Baa - Offer adequate financial security
Ba - Offer questionable financial security
B - Offer poor financial security
Caa - Offer very poor financial security
Ca - Offer extremely poor financial security
C - Lowest rated class, usually in default

Moody's Long-Term Debt Ratings:

Aaa - Best Quality
Aa - High Quality
A - Possess many favorable investment attributes
Baa - Medium-grade obligations
Ba - Possess speculative elements
B - Generally lack characteristics of desirable investments
Caa - Poor standing
Ca - Speculative in a high degree
C - Lowest rated class of bonds

Modifiers:

1 - Higher end of letter rating category
2 - Mid-range of letter rating category
3 - Lower end of letter rating category

S&P Short - Term Credit Ratings:

A-1 - Highest rated, strong capacity to meet obligations
A-2 - Somewhat more susceptible to adverse effects of changes in financial conditions; satisfactory
A-3 - Exhibits adequate protection parameters
B - Significant speculative characteristics, faces major ongoing uncertainties
C - Vulnerable to non-payment
D - Payment default

Modifiers:

+ or - show relative standing within the category.

S&P Outlook Definitions:

Positive - A rating may be raised
Negative - A rating may be lowered
Stable - A rating is not likely to change
Developing - May be raised or lowered
NM - Not meaningful

S&P Long-Term Debt Ratings:

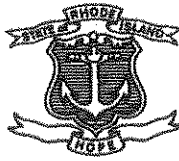
AAA - Highest rating, extremely strong
AA - Differs slightly from highest rating, very strong
A - More susceptible to adverse effects of change in economic condition, strong
BBB - Exhibits adequate protection parameters
BB, B - Have significant speculative characteristics. BB least speculative
CCC, CC, C - C highest degree

D - Payment default

Modifiers:

+ or - show relative standing within the category.

PERFORMANCE



State of Rhode Island and Providence Plantations
Office of the General Treasurer

Gina M. Raimondo
General Treasurer

February 20, 2012

State Investment Commission
State of Rhode Island, State House
Providence, Rhode Island

This is to certify that the amounts so listed below belong to the credit of the Employees' Retirement, State Police and Judiciary Retirement Systems, and the Municipal Employees' Retirement System of the State of Rhode Island at the close of business on January 31, 2012.

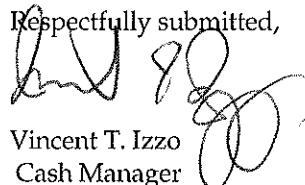
Employees' Retirement System of Rhode Island
Composite Reporting Investment Valuation

January 31, 2012

Asset Class		
Cash/Short Term Investments		376,089,929
Global Equities		3,800,804,143
<i>Fixed Income - Government</i>	\$689,811,571	
<i>Fixed Income - Corporate</i>	\$713,905,266	
<i>Fixed Income - In State</i>	\$0	
Total Fixed Income		1,403,716,837
Real Return		785,934,669
Alternative Investments		596,517,051
Real Estate		265,924,647
Total Fund Investments		7,228,987,277
Plan Allocation		
State Employees & Teachers	82.46%	5,961,222,537
Municipal Employees	15.93%	1,151,797,796
State Police	1.05%	76,028,727
Judicial	0.55%	39,938,217
Total Fund Investments	100.00%	7,228,987,277

The amount listed for alternative investments designation is illiquid and does not have a readily determinable market value. It is based on appraisals only.

Respectfully submitted,



Vincent T. Izzo
Cash Manager

State of Rhode Island
Summary of Performance
PERIODS ENDING January 31, 2012

	MKT VAL	% of FUND	1 Month	3 Months	YTD	1 Year	3 Years	5 Years	7 Years	10Years	ITD	Incept Date
GLOBAL EQUITY FUNDS												
Index												
SSGA S&P 500 INDEX FUND S&P 500	1,557,124,957	21.5	4.5 4.5	5.3 5.3	4.5 4.5	4.2 4.2	19.3 19.2	0.4 0.3	3.6	3.5	1.3	11/01/2006
Index												
MSCI ACWI EX US INDEX FUND MSCI EAFE (NET)	1,179,858,385	16.3	6.8 5.3	0.2 -0.7	6.8 5.3	-8.6 -9.6					14.0	05/01/2009
Index												
RUSSELL 2000 INDEX FUND RUSSELL 2000	546,853,655	7.6	7.1 0.7	7.4 15.5	7.1 -4.2	2.9 -4.2					20.9	05/01/2009
Alternative												
ALTERNATIVE EQUITY HFRX EQUITY HEDGE	394,422,920	5.5	1.5 2.1	0.7 -0.2	1.5 2.1						0.7	11/01/2011
Active Core												
WELLINGTON TECHNICAL EQUITY RUSSELL 3000	139,048,449	1.9	2.5 5.1	-0.5 5.6	2.5 5.1	-14.2 3.9	4.0 20.2	0.6	4.1	4.2	-0.8	08/01/2007
TOTAL GLOBAL EQUITY	3,817,308,365	52.8	5.2	3.2	5.2	-1.6	17.8	-0.3	4.2	5.3	1.8	07/01/2000
MSCI AC WORLD (NET)			5.8	2.4	5.8	-3.5	17.6	-1.0	4.0	5.1		
GLOBAL FIXED INCOME												
Core												
BROWN BROTHERS HARRIMAN - CORE CITIGROUP BIG	392,996,167	5.4	1.9 0.9	2.6 1.9	1.9 0.9	9.1 8.7	7.6 7.0	6.0 6.9	5.2 5.8	5.8 5.9		03/01/1990
Mortgage												
PYRAMIS GLOBAL ADVISORS BC MBS	405,443,019	5.6	0.6 0.4	1.3 1.3	0.6 0.4	7.1 6.6	7.3 5.9	6.3 6.6	5.6 5.8	5.8 5.6	7.5	10/01/1989
Corporates												
TAPLIN, CANIDA & HABACHT BC CREDIT	398,887,051	5.5	2.0 2.1	2.3 2.3	2.0 2.1	9.7 10.4	13.6 11.7	6.1 7.2	5.4 5.9	6.4 6.5		04/01/1996
High Yield												
MACKAY SHIELDS, LLC CSFB GLOBAL HIGH YIELD	187,317,440	2.6	2.3 2.7	3.0 3.3	2.3 2.7	7.2 6.1	19.3 21.8	6.8 7.4	7.3 7.5		11.1	10/01/2002
Other												
FIXED INCOME CASH ACCOUNT	4,504	0.0	0.0	0.0	0.0	0.1	-0.1				1.3	04/01/2007
Alternative												
ALTERNATIVE FIXED INCOME HFRJ FOF: Conservative Index	89,120,880	1.2	-0.5 0.8		-0.5 0.8						-1.0	12/01/2011
TOTAL FIXED INCOME	1,473,769,061	20.4	1.5	2.0	1.5	6.6	8.6	6.1	5.4	6.0		12/01/1992
BC AGGREGATE			0.9	1.9	0.9	8.7	7.4	6.7	5.6	5.8		
REAL RETURN POOL												
TIPS												
BROWN BROTHERS HARRIMAN - TIPS BC GLOBAL INFLATION LINKED: U.S. TIPS	370,231,748	5.1	2.2 2.3	3.0 3.1	2.2 2.3	16.0 15.9	10.6 10.6	8.6 8.4	6.6 6.5	7.6	7.0	06/01/2004
Alternative												
ALTERNATIVE ABSOLUTE RETURN HFRJ Fund Weighted Composite Index	356,242,475	4.9	1.5 2.6	2.0 0.9	1.5 2.6						2.0	11/01/2011
TOTAL ALTERNATIVE ABSOLUTE RETURN	788,682,223	10.9	2.0	2.7	2.0	15.7					9.9	11/01/2009
CPI + 4%			0.1	0.4	0.1	6.3						
ALTERNATIVE INVESTMENTS												
REAL ESTATE NCREIF PROPERTY INDEX QTR LAG	265,925,185	3.7	0.3 0.0	3.0 3.3	0.3 0.0	15.3 16.1	-8.6 -1.5	-2.8 3.4	-1.7 7.5	7.8	-1.7	01/01/2005
PRIVATE EQUITY S&P 500 PLUS 300 BP	596,546,940	8.3	0.1 4.7	-3.3 6.1	0.1 4.7	9.8 7.3	7.2 22.8	5.2 3.3	10.2 6.7	9.4 6.6		01/01/1989
TOTAL ALTERNATIVE INVESTMENTS	862,472,125	11.9	0.2	-1.4	0.2	11.5	2.3	2.9	7.7	7.5	8.1	04/01/1996
TOTAL PLAN ALTERNATIVES BENCHMARK			2.8	5.0	2.8	11.2	13.1	4.0	7.5	7.5		
RE-BALANCING												
RUSSELL IMPLEMENTATION SERVICES	77,455,792	1.1	0.1	0.1	0.1	0.5	0.2				-0.2	09/01/2008
OTHER												
CASH ACCOUNT (INSIDE)	205,858,990	2.9										
CASH ACCOUNT (OUTSIDE)	1,645,279	0.0										
OTHER*	1,795,440	0.0										
TOTAL PLAN	7,228,987,277	100.0	3.3	2.2	3.3	3.6	13.3	1.8	4.9	6.0		01/01/1984
TOTAL PLAN BENCHMARK**			3.6	2.9	3.6	3.9	14.3	1.8	4.9	5.8		

* Includes Schott Capital, SSGA Transition Account and Tax Reclaims

** Effective 1/1/12: 52.0% MSCI ACWI / 20.0% BC AGG / 11.0% CPI + 4% / 7.5% S&P 500 + 3% / 5.0% NCREIF PROPERTY LAGG / 4.5% 91 DAY T-BILL

Fund	Mkt Value ¹	Actual %	Returns ¹							Ann Std Dev	Sharpe Ratio	Incep. Date
			Jan	YTD	FYTD	1 Year	3 Year	5 Year	Incep			
Fixed Income												
Gracie Credit Opportunities Fund LP	39,699,895	100.0%	0.34%	0.34%	-	-	-	-	-0.75%	3.50%	-	Dec-11
Total Fixed Income	39,699,895	100.0%	0.34%	0.34%	-	-	-	-	-0.75%	3.50%	-	Dec-11
Barclays Aggregate Bond Index			0.88%	0.88%	-	-	-	-	1.99%	0.54%	-	Dec-11
Global Equities												
Ascend Partners Fund II	59,855,254	13.1%	0.36%	0.36%	-	-	-	-	-0.24%	1.58%	-	Nov-11
Davidson Kempner Institutional Partners LP	60,814,154	13.3%	1.03%	1.03%	-	-	-	-	1.35%	1.83%	-	Nov-11
Elliott Associates, LP	60,011,753	13.1%	1.90%	1.90%	-	-	-	-	0.02%	6.05%	-	Nov-11
Indus Asia Pacific Fund LP	41,240,000	9.0%	3.10%	3.10%	-	-	-	-	3.10%	-	-	Jan-12
Mason Capital Ltd	59,885,006	13.1%	-0.19%	-0.19%	-	-	-	-	-0.19%	-	-	Jan-12
Samlyn LP	62,208,000	13.6%	3.68%	3.68%	-	-	-	-	3.68%	-	-	Jan-12
Third Point Qualified LP	51,750,000	11.3%	3.50%	3.50%	-	-	-	-	3.50%	-	-	Jan-12
Viking Global Equities LP	60,871,910	13.3%	1.60%	1.60%	-	-	-	-	1.46%	4.26%	-	Dec-11
Total Global Equities	456,636,077	100.0%	1.78%	1.78%	-	-	-	-	0.92%	4.61%	-	Nov-11
MSCI AC World Index Free - Net			5.81%	5.81%	-	-	-	-	2.45%	15.57%	-	Nov-11
Russell 3000 Index (DRI)			5.05%	5.05%	-	-	-	-	5.62%	9.73%	-	Nov-11
HFRI Equity Hedge (Total) Index			3.84%	3.84%	-	-	-	-	0.91%	10.70%	-	Nov-11
Absolute Return												
BlueCrest Capital LP	20,196,000	5.0%	0.98%	0.98%	-	-	-	-	0.98%	-	-	Jan-12
Brevan Howard LP	76,480,748	18.9%	0.85%	0.85%	-	-	-	-	1.97%	3.44%	-	Nov-11
Capula Global Relative Value Fund Ltd	49,421,037	12.2%	-0.92%	-0.92%	-	-	-	-	-1.16%	1.67%	-	Dec-11
DE Shaw Composite International Fund	50,958,290	12.6%	1.60%	1.60%	-	-	-	-	1.92%	3.14%	-	Nov-11
Graham Discretionary 6V Fund	50,390,000	12.4%	0.78%	0.78%	-	-	-	-	0.78%	-	-	Jan-12
OZ Domestic Fund II LP	75,832,399	18.7%	1.66%	1.66%	-	-	-	-	1.11%	4.14%	-	Nov-11
Wexford Spectrum Fund LP	51,440,000	12.7%	2.88%	2.88%	-	-	-	-	2.88%	-	-	Jan-12
Winton Futures Fund Ltd	30,585,160	7.5%	0.62%	0.62%	-	-	-	-	1.95%	1.71%	-	Dec-11
Total Absolute Return	405,303,633	100.0%	1.11%	1.11%	-	-	-	-	1.49%	1.86%	-	Nov-11
ML 3-month T-Bills			0.00%	0.00%	-	-	-	-	0.00%	0.00%	-	Nov-11
HFRI Fund of Funds Composite Index			1.93%	1.93%	-	-	-	-	0.47%	5.39%	-	Nov-11
Market Indices												
3 Month Libor Rate			0.05%	0.05%	-	-	-	-	0.14%	0.01%	-	Nov-11
Barclays Aggregate Bond Index			0.88%	0.88%	-	-	-	-	1.90%	2.19%	-	Nov-11
Barclays High Yield Credit Bond Index			3.04%	3.04%	-	-	-	-	3.50%	10.04%	-	Nov-11
S&P 500 TR			4.48%	4.48%	-	-	-	-	5.32%	8.44%	-	Nov-11
MSCI EAFE - Net			5.33%	5.33%	-	-	-	-	-0.73%	17.80%	-	Nov-11
MSCI EMF (Emerging Markets Free) - Net			11.34%	11.34%	-	-	-	-	2.66%	31.98%	-	Nov-11

Employees' Retirement System of the State of Rhode Island
Hedge Fund Portfolio
Portfolio Performance Summary
Estimated as of January 31, 2012



Fund	Mkt Value ¹	Actual %	Jan	YTD	FYTD	Returns ¹			Incep	Ann Std Dev	Sharpe Ratio	Incep. Date
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¹Most recent month returns are based on manager estimates; prior months use final market values.

Hedge Fund Research, Inc. ("HFR") is the source and owner of the HFR data contained or reflected in this report. The HFR indices included in this report are revised by HFR for up to three months following their initial release. The revisions are reflected in the trailing period returns.

This report reflects information only through the date hereof. Our due diligence and reporting rely upon the accuracy and completeness of financial information (which may or may not be audited by the fund manager) and other information publicly available or provided to us by the fund manager, its professional staff, and through other references we have contacted. We have not conducted an independent verification of the information provided other than as described in this report. Our conclusions do not reflect an audit of the investment nor should they be construed as providing legal advice. Past performance does not guarantee future performance. The information contained herein is confidential commercial or financial information, the disclosure of which would cause substantial competitive harm to you, Cliffwater LLC, or the person or entity from whom the information was obtained, and may not be disclosed except as required by applicable law.

ERSRI Monthly Market Value Report With Time Weighted Returns											
January 31, 2012											
	Calendar YTD			Benchmark Description	Current Month			Valuation Change			
	Performance	Benchmark	Alpha		Performance	Benchmark	Alpha	Market Value	Transfers	Market Value	Market Value
								12/31/2011	In/(out)	1/31/2012	Increase/decrease
Global Equity											
Shott Capital Management IRR			0.00%	S & P 500			0.00%	1,267,225	2,000	1,324,658	55,433
SSGa S&P 500	4.49%	4.48%	0.01%	S & P 500	4.49%	4.48%	0.01%	1,490,191,223	-	1,557,124,957	66,933,734
Wellington Tech Eq	2.47%	5.05%	-2.58%	Russell 3000	2.47%	5.05%	-2.58%	135,692,114	-	139,048,449	3,356,335
Russell 2000 Index Fund	7.07%	7.07%	0.00%	Russell 2000	7.07%	7.07%	0.00%	510,737,101	-	546,853,655	36,116,554
Boston Company				MSCI ACWI				16,089	(11,243)	9,343	4,497
Goldman Sachs				MSCI ACWI				53,115	(6,803)	46,633	321
Transition Account	N/A	N/A	N/A	N/A	N/A	N/A	N/A	404,146	-	402,088	(2,058)
Mondrian				MSCI ACWI				24,894	(12,308)	12,718	132
MSCI Ex US Index Fund	6.77%	6.78%	-0.01%	MSCI Ex US Index Fund	6.77%	6.78%	-0.01%	1,105,064,785	-	1,179,858,385	74,793,599
Sub-Total Global Equity	5.59%	5.81%	-0.22%	MSCI AC World	5.59%	5.81%	-0.22%	3,243,450,692	(28,355)	3,424,680,886	181,258,548
Global Equity Hedge Funds											
Davidson Kempner	1.04%	2.07%	-1.03%	HFRX Equity Hedge	1.04%	2.07%	-1.03%	60,187,020	-	60,814,140	627,120
Mason Capital	-0.20%	2.07%	-2.27%	HFRX Equity Hedge	-0.20%	2.07%	-2.27%	60,000,000	-	59,880,000	(120,000)
Viking Global Equities III	1.55%	2.07%	-0.52%	HFRX Equity Hedge	1.55%	2.07%	-0.52%	59,940,000	-	60,871,860	931,860
Ascend Partners Fund II	0.34%	2.07%	-1.73%	HFRX Equity Hedge	0.34%	2.07%	-1.73%	59,652,600	-	59,855,220	202,620
Elliott Associates	1.90%	2.07%	-0.17%	HFRX Equity Hedge	1.90%	2.07%	-0.17%	58,892,760	-	60,011,700	1,118,940
Third Point Partners	3.50%	2.07%	1.43%	HFRX Equity Hedge	3.50%	2.07%	1.43%	50,000,000	-	51,750,000	1,750,000
Indus Asia Pacific Fund	3.10%	2.07%	1.03%	HFRX Equity Hedge	3.10%	2.07%	1.03%	40,000,000	-	41,240,000	1,240,000
Sub-Total Global Equity Hedge Funds	1.48%	2.07%	-0.59%	HFRX Equity Hedge	1.48%	2.07%	-0.59%	388,672,380	-	394,422,920	5,750,540
Total Global Equity	5.15%	5.81%	-0.66%	MSCI AC World	5.15%	5.81%	-0.66%	3,632,123,072	(28,355)	3,819,103,806	187,009,088
Fixed Income											
Fidelity Management & Research	0.60%	0.41%	0.19%	BC MBS	0.60%	0.41%	0.19%	403,007,559	-	405,443,019	2,435,461
Brown Brothers, Harriman	1.88%	0.85%	1.03%	Citigroup BIG	1.88%	0.85%	1.03%	385,725,891	-	392,996,167	7,270,276
Taplin, Canida & Habacht	2.02%	2.08%	-0.06%	BC Credit	2.02%	2.08%	-0.06%	390,987,602	-	398,887,051	7,899,449
Mackay Shields	2.27%	2.66%	-0.39%	CS First BoshIYield	2.27%	2.66%	-0.39%	183,096,802	-	187,317,440	4,220,638
Fixed Income Cash Acct	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	13,151	(8,648)	4,504	0
Sub-Total Fixed Income	1.60%	0.88%	0.72%	BC Aggregate	1.60%	0.88%	0.72%	1,362,831,005	(8,648)	1,384,648,181	21,825,824
Alternative Fixed Income											
Capula Global Master Fund	-0.95%	2.39%	-3.34%		-0.95%	2.39%		49,895,000	-	49,421,000	(474,000)
Gracie Credit Fund	0.10%	2.39%	-2.29%		0.10%	2.39%		39,660,000	-	39,699,880	39,880
Sub-Total Alternative Fixed Income	-0.48%	2.39%	-2.87%	HFRI FOF Conservative	-0.48%	2.39%	-2.87%	89,555,000	-	89,120,880	(434,120)
Total Fixed Income	1.47%	0.88%	0.59%	BC Aggregate	1.47%	0.88%	0.59%	1,452,386,005	(8,648)	1,473,769,061	21,391,704
Alternative Investments											
Private Equity	0.19%	4.73%	-4.54%	N/A	0.19%	4.73%	-4.54%	587,922,398	7,975,878	596,546,940	648,664
Real Estate	0.30%	0.08%	0.22%	NCREIF + 100	0.30%	0.08%	0.22%	266,352,648	(1,111,588)	265,925,185	684,126
Total Alternatives	0.23%	2.84%	-2.61%		0.23%	2.84%	-2.61%	854,275,045	6,864,290	862,472,125	1,332,790
Cash Accounts											
Cash in Trust	0.02%	0.00%	0.02%		0.02%	0.00%	0.02%	234,640,505	(28,824,892)	205,858,990	43,378
Cash Outside Trust	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	1,509,844	-	1,645,279	135,435
Total Cash	0.02%	0.00%	0.02%	91 Day T-Bill	0.02%	0.00%	0.02%	236,150,349	(28,824,892)	207,504,269	178,813
Real Return Pool											
Brown Bros TIPS	2.18%	2.35%	-0.17%	Barclays US TIPS Index	2.18%	2.35%	-0.17%	362,341,783	-	370,231,748	7,889,965
Sub-Total Real Return	2.18%	0.08%	2.10%	CPI +4%	2.18%	0.08%	2.10%	362,341,783	-	370,231,748	7,889,965
Alternative Absolute Return											
Brevan Howard Master Fund	0.88%	2.29%	-1.41%	HFRI Fund Wgt Comp Index	0.88%	2.29%	-1.41%	75,811,800	-	76,480,725	668,925
OZ Domestic Partners II	1.82%	2.29%	-0.47%	HFRI Fund Wgt Comp Index	1.82%	2.29%	-0.47%	74,475,825	-	75,832,350	1,356,525
DE Shaw Composite Fund	1.51%	2.29%	-0.78%	HFRI Fund Wgt Comp Index	1.51%	2.29%	-0.78%	50,198,950	-	50,958,250	759,300
Graham Global Inv Fund	0.78%	2.29%	-1.51%	HFRI Fund Wgt Comp Index	0.78%	2.29%	-1.51%	50,000,000	-	50,390,000	390,000
Wexford Spectrum Fund	3.60%	2.29%	1.31%	HFRI Fund Wgt Comp Index	3.60%	2.29%	1.31%	50,000,000	-	51,800,000	1,800,000
Winton Future Fund Ltd	0.62%	2.29%	-1.67%	HFRI Fund Wgt Comp Index	0.62%	2.29%	-1.67%	30,395,790	-	30,585,150	189,360
Samlyn On/Off Shore Fund	3.68%	2.29%	1.39%	HFRI Fund Wgt Comp Index	3.68%	2.29%	1.39%	60,000,000	-	62,208,000	2,208,000
Blue Crest Capital	0.98%	2.29%	-1.31%	HFRI Fund Wgt Comp Index	0.98%	2.29%	-1.31%	20,000,000	-	20,196,000	196,000
Sub-Total Alt Absolute Return	1.53%	2.29%	-0.76%	HFRI Fund Wgt Comp Index	1.53%	2.29%	-0.76%	410,882,365	-	418,450,475	7,568,110
Total Real Return	2.00%	0.08%	1.92%	CPI +4%	2.00%	0.08%	1.92%	773,224,148	-	788,682,223	15,458,075
Other											
Russell Overlay	0.05%				0.05%			73,678,888	-	77,455,792	3,776,904
Total Plan Ex PE & RE	3.69%	3.67%	0.02%		3.69%	3.67%	0.02%				
Total Plan	3.27%	3.56%	-0.29%		3.27%	3.56%	-0.29%	7,021,837,507	(21,997,605)	7,228,987,277	229,147,374

*Policy Index: (Effective 12/1/11)

20% BC Agg

52% MSCI World Free

11% CPI + 4%

7.5% S&P 500 + 3%

5% NCREIF Prop LAGC

Effective 11/1/09 Moved TIPS from Fixed Income to Real Return. The history remains in Fixed Income.

State of Rhode Island

TOTAL PLAN

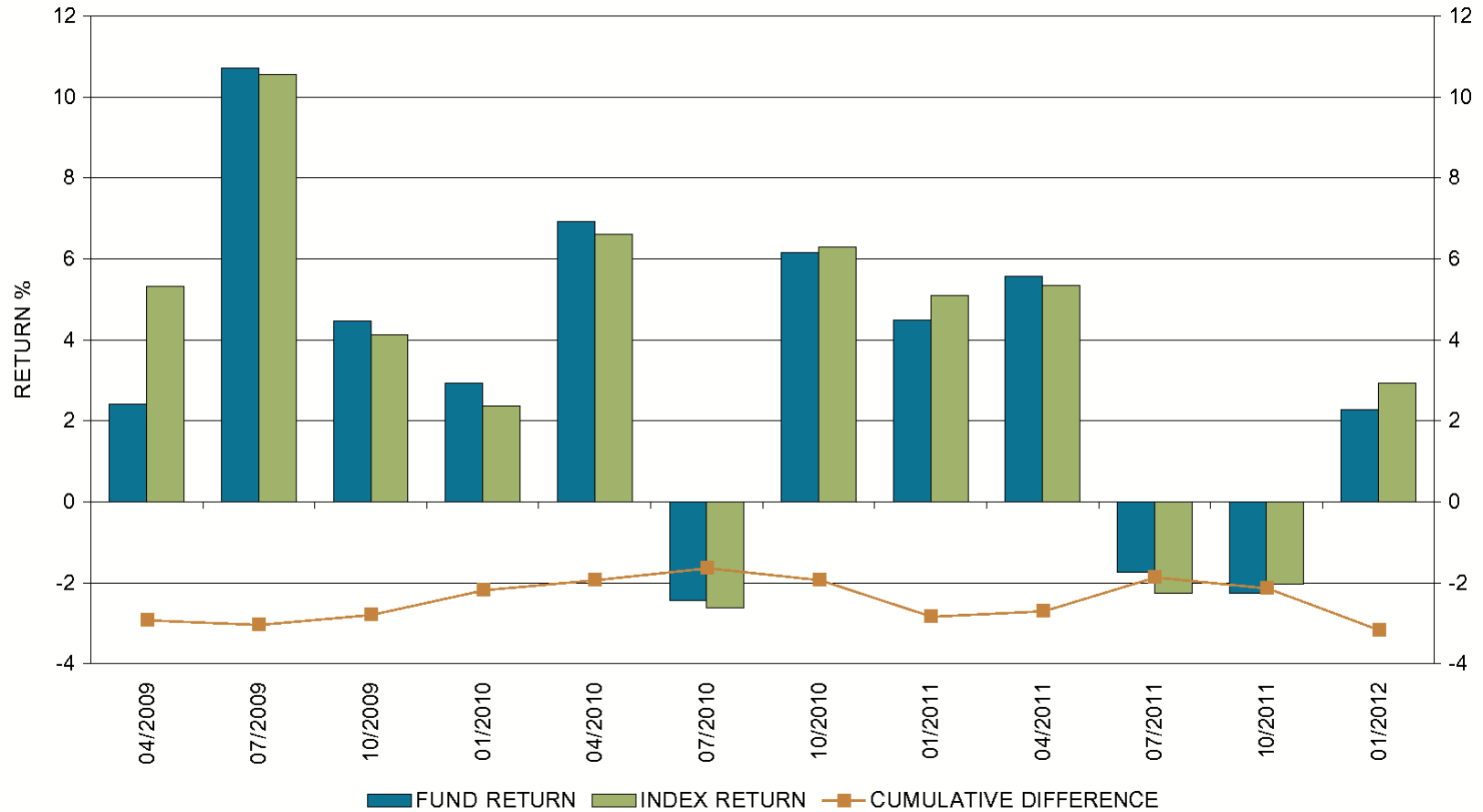
Index: TOTAL PLAN BENCHMARK

PERIODS: January 31, 2009 - January 31, 2012



STATE STREET

CUMULATIVE PERFORMANCE REPORT



State of Rhode Island

TOTAL PLAN

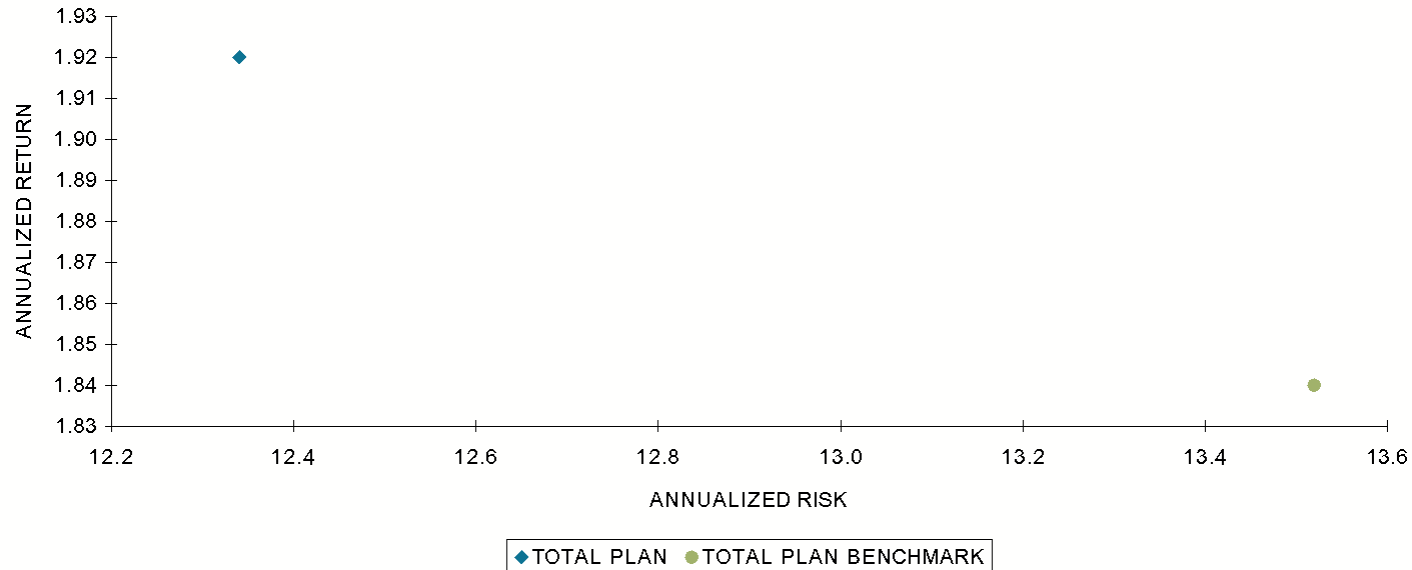
Benchmark: TOTAL PLAN BENCHMARK

January 31, 2007 - January 31, 2012



STATE STREET

RISK VS. RETURN



RISK INFORMATION

Portfolio Return	1.92
Benchmark Return	1.84
Return Differences	0.08
Portfolio Standard Deviation	12.34
Benchmark Standard	13.52
Tracking Error	1.90

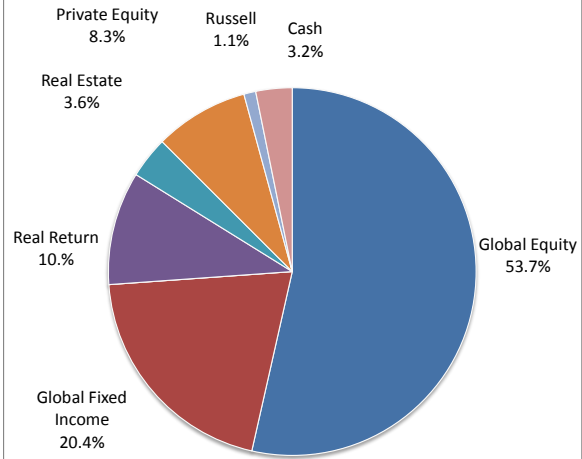
RISK STATISTICS

Historic Beta	0.91
R-squared	0.99
Jensen's Alpha	0.12
Sharpe Ratio	0.04
Treynor Ratio	0.58
Information Ratio	0.04

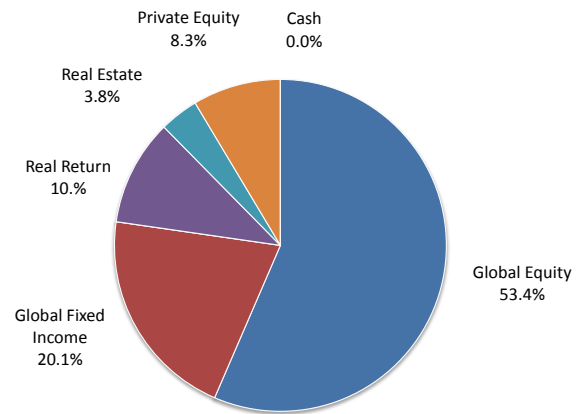
ASSET ALLOCATION

State of Rhode Island
 Asset Allocation
 PERIODS ENDING January 31, 2012

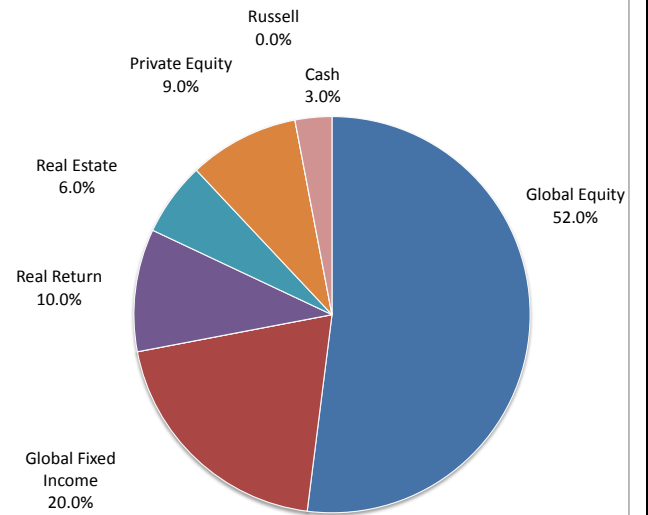
Physical Allocation



Notional Allocation



Policy Allocation

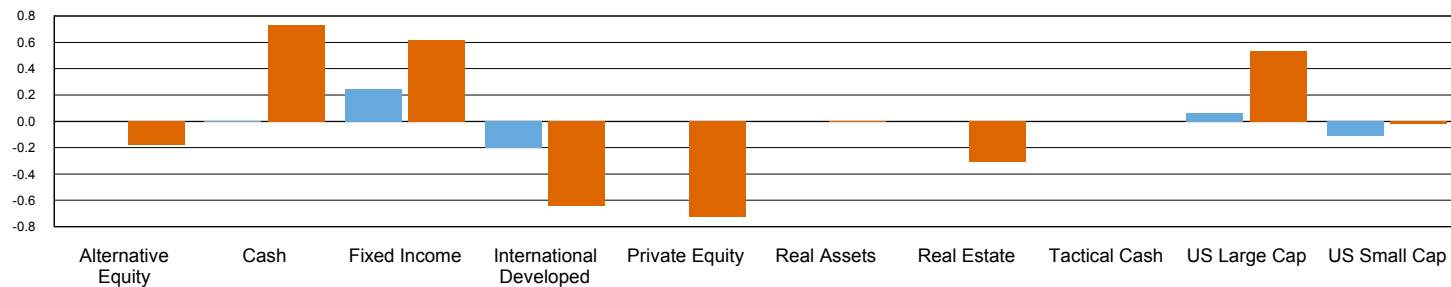


* Difference in actual investment allocation versus target allocation policy is offset by the notional overlay provided by the Russell Implementation account.

Asset Summary

<u>Asset Class</u>	<u>Physical Exposure</u>		<u>Synthetic Exposure</u>		<u>Net Position</u>		<u>Overlay Target</u>		<u>Policy Target</u>	
Total Market Value	7,214.0	100.0%	0.0	0.0%	7,214.0	100.0%	7,214.0	100.0%	7,214.0	100.00%
Cash	52.9	0.7%	-47.8	-0.7%	5.1	0.1%	5.3	0.1%	0.0	0.00%
Cash	52.9	0.7%	-47.8	-0.7%	5.1	0.1%	5.3	0.1%	0.0	0.00%
Equity	4,469.8	62.0%	70.5	1.0%	4,540.3	62.9%	4,557.9	63.2%	4,544.8	63.00%
Private Equity	596.8	8.3%	0.0	0.0%	596.8	8.3%	596.8	8.3%	649.3	9.00%
US Small Cap	546.9	7.6%	5.9	0.1%	552.8	7.7%	560.8	7.8%	548.3	7.60%
US Large Cap	1,697.5	23.5%	4.6	0.1%	1,702.1	23.6%	1,697.2	23.5%	1,659.2	23.00%
International Developed	1,179.9	16.4%	60.0	0.8%	1,239.9	17.2%	1,254.4	17.4%	1,226.4	17.00%
Alternative Equity	448.7	6.2%	0.0	0.0%	448.7	6.2%	448.7	6.2%	461.7	6.40%
Fixed	1,473.1	20.4%	-22.8	-0.3%	1,450.3	20.1%	1,432.5	19.9%	1,428.4	19.80%
Fixed Income	1,473.1	20.4%	-22.8	-0.3%	1,450.3	20.1%	1,432.5	19.9%	1,428.4	19.80%
Other	1,218.3	16.9%	0.0	0.0%	1,218.3	16.9%	1,218.3	16.9%	1,240.8	17.20%
Tactical Cash	230.8	3.2%	0.0	0.0%	230.8	3.2%	230.8	3.2%	230.8	3.20%
Real Estate	266.4	3.7%	0.0	0.0%	266.4	3.7%	266.4	3.7%	288.6	4.00%
Real Assets	721.1	10.0%	0.0	0.0%	721.1	10.0%	721.1	10.0%	721.4	10.00%

Deviations from Target Allocation



CASH FLOW

CASH FLOW ANALYSIS - INCOME & EXPENSES

Employees Retirement System

FISCAL YEAR 2012	FY 2011-12												TOTAL
	Actual July 2011	Actual August	Actual September	Actual October	Actual November	Actual December	Actual January 2012	Projected February	Projected March	Projected April	Projected May	Projected June	
MEMBER BENEFITS	66,629,399	67,455,796	68,242,485	67,768,460	67,569,923	67,451,353	69,211,649	66,600,000	66,600,000	66,600,000	66,600,000	66,600,000	807,329,064
ADMINISTRATIVE EXPENSES	137,672	660,651	834,794	646,649	418,609	763,480	566,091	429,243	456,810	547,719	403,313	940,521	6,805,552
INVESTMENT EXPENSES	717,955	151,236	1,393,349	(942,146)	6,757	517,797	501,413	306,066	343,834	785,528	185,359	269,585	4,236,733
TOTAL OUTFLOW	67,485,026	68,267,682	70,470,628	67,472,964	67,995,288	68,732,630	70,279,153	67,335,309	67,400,644	67,933,247	67,188,673	67,810,106	818,371,349
CONTRIBUTIONS	50,400,487	28,659,530	38,949,761	38,118,149	49,232,033	41,087,919	49,365,444	35,617,401	42,493,720	40,290,401	47,251,676	42,317,939	503,784,460
OTHER INCOME*	358,170	6,622,689	5,032,088	7,603,294	8,542,405	10,450,579	4,447,436	4,258,601	9,058,026	726,971	6,582,306	6,199,804	69,882,371
TOTAL INCOME	50,758,657	35,282,219	43,981,849	45,721,443	57,774,438	51,538,498	53,812,880	39,876,002	51,551,746	41,017,372	53,833,982	48,517,743	573,666,831
DIFFERENCE	(16,726,369)	(32,985,463)	(26,488,779)	(21,751,521)	(10,220,850)	(17,194,131)	(16,466,272)	(27,459,307)	(15,848,898)	(26,915,875)	(13,354,690)	(19,292,363)	(244,704,518)

Municipal Employees Retirement System

	Actual July 2011	Actual August	Actual September	Actual October	Actual November	Actual December	Actual January 2012	Projected February	Projected March	Projected April	Projected May	Projected June	TOTAL
MEMBER BENEFITS	6,376,800	6,376,540	6,540,992	6,548,529	6,500,108	6,562,384	6,678,650	6,400,000	6,400,000	6,400,000	6,400,000	6,400,000	77,584,003
ADMINISTRATIVE EXPENSES	26,076	125,842	159,526	124,054	80,412	147,098	109,377	80,624	86,146	103,274	76,046	178,003	1,296,478
INVESTMENT EXPENSES	135,986	28,808	266,264	(180,743)	1,298	99,763	96,880	57,488	64,841	148,113	34,950	51,022	804,669
TOTAL OUTFLOW	6,538,862	6,531,189	6,966,782	6,491,840	6,581,818	6,809,244	6,884,908	6,538,111	6,550,987	6,651,387	6,510,996	6,629,025	79,685,150
CONTRIBUTIONS	4,595,440	5,236,442	4,741,697	5,123,170	4,733,696	5,048,323	6,107,049	7,972,265	4,856,857	4,598,585	5,354,214	5,178,390	63,546,128
OTHER INCOME*	67,840	1,261,499	961,614	1,458,630	1,640,949	2,013,490	859,312	799,882	1,708,176	137,072	1,241,110	1,173,376	13,322,949
TOTAL INCOME	4,663,280	6,497,941	5,703,311	6,581,800	6,374,645	7,061,813	6,966,361	8,772,147	6,565,033	4,735,657	6,595,324	6,351,766	76,869,077
DIFFERENCE	(1,875,582)	(33,248)	(1,263,471)	89,960	(207,174)	252,568	81,453	2,234,036	14,046	(1,915,730)	84,328	(277,259)	(2,816,073)

CASH FLOW ANALYSIS - INCOME & EXPENSES

Judges/State Police
Retirement System

	Actual July 2011	Actual August	Actual September	Actual October	Actual November	Actual December	Actual January 2012	Projected February	Projected March	Projected April	Projected May	Projected June	TOTAL
MEMBER BENEFITS	135,664	135,664	135,514	135,664	131,160	145,521	148,374	136,000	136,000	136,000	136,000	136,000	1,647,560
ADMINISTRATIVE EXPENSES	2,506	12,228	15,613	12,266	8,002	14,735	11,012	7,512	8,060	9,742	7,174	17,027	125,878
INVESTMENT EXPENSES	13,071	2,799	26,059	(17,870)	129	9,993	9,754	5,356	6,067	13,972	3,297	4,881	77,508
TOTAL OUTFLOW	151,241	150,691	177,186	130,059	139,292	170,249	169,141	148,868	150,127	159,714	146,471	157,908	1,850,947
CONTRIBUTIONS	1,052,000	495,000	968,000	512,000	529,000	502,000	500,000	432,000	430,000	705,000	410,000	330,000	6,865,000
OTHER INCOME*	6,521	122,580	94,113	144,218	163,302	201,690	86,518	74,526	159,825	12,931	117,079	112,242	1,295,545
TOTAL INCOME	1,058,521	617,580	1,062,113	656,218	692,302	703,690	586,518	506,526	589,825	717,931	527,079	442,242	8,160,545
DIFFERENCE	907,279	466,889	884,927	526,159	553,010	533,441	417,378	357,658	439,698	558,216	380,608	284,334	6,309,599

*includes income from Real Estate Investments, Private Equity, Securities Lending, and Cash Accounts,

FISCAL YEAR 2012

INVESTMENT MANAGER FEES, PROFESSIONAL FEES & OPERATING EXPENSES

ERSRI & MERSRI

ACCRUAL BASIS

	Actual Jul 11	Actual Aug	Actual Sept	Actual Oct	Actual Nov	Projected Dec	Projected Jan 12	Projected Feb	Projected Mar	Projected Apr	Projected May	Projected June	Projected TOTAL
EQUITIES													
SSgA Russell 1000/S& ZU14			43,236			44,945			48,108			100,000	236,289
SSGA Russell 2000 ZU06			30,210			34,921			34,573			35,000	621,398
Shott Capital ZU49			1,703			1,592			1,782			2,000	7,078
Wellington Tech Eq ZU04			<u>335,337</u>			<u>348,655</u>			<u>376,641</u>			<u>350,000</u>	1,410,633
			410,486			430,114			461,104			487,000	1,654,000
FIXED INCOME													
Brown Bros. ZU44			171,735			167,249			166,584			167,000	672,568
Fidelity ZU46			158,869			153,780			153,750			155,000	621,398
Taplin ZU84			239,702			244,821			231,206			230,000	945,728
Mackay Shields ZU59			189,045			181,652			187,020			185,000	742,717
Brown Bros.TIPS ZU69			<u>123,164</u>			<u>114,761</u>			<u>115,120</u>			<u>115,000</u>	468,045
			882,514			862,263			853,679			852,000	3,450,457
INT'L EQUITIES													
The Boston Co ZU77			0			0			0			0	0
Mondrian ZU67			0			0			0			0	0
Goldman Sachs Asset ZU25			0			0			0			0	0
SSgA MSCI ACWI ZU08			<u>148,827</u>			<u>164,663</u>			<u>166,370</u>			<u>165,000</u>	644,860
	0		148,827	0		164,663			166,370			165,000	644,860
REAL ESTATE													
L & B Real Estate ZU79	154,773	121,712	84,071	121,725	0	84,071	126,079	12,834	191,583	115,161	156,582	83,933	1,252,526
ALTERNATIVE INVESTMENTS													
Other Alt Inv Mgmt F ZU32	712,239	61,130	1,601,601	(1,262,485)	8,184	543,482	481,969	356,076	223,158	832,452	67,024	241,555	3,866,385
SUB TOTAL-INV MGMT FEES													
	867,012	182,843	3,127,499	(1,140,759)	8,184	2,084,593	608,048	368,910	1,895,895	947,613	223,606	1,829,488	10,868,227
PROFESSIONAL FEES													
Legal	7,739	2,644	2,464	11,320	46,641	24,182	2,316	2,316	2,316	2,025	555	788	105,305
St St Bank Custodial	66,096	62,763	61,759	61,462	60,582	64,122	61,466	62,286	64,367	62,730	62,422	61,306	751,361
Pacific Corp Group/C ZU76	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	450,000
PCA/Russell	13,125	13,125	75,322	13,125	13,125	13,125	13,125	13,125	96,784	13,125	13,125	122,125	412,359
Townsend	0	0	<u>35,625</u>	0	0	<u>35,625</u>	0	0	<u>35,625</u>	0	0	<u>35,625</u>	142,500
	124,460	116,032	212,670	123,408	157,848	174,554	114,407	115,228	236,592	115,381	113,602	257,344	1,861,525
OPERATING EXPENSE													
Retirement Transfers	50,535	638,586	830,432	405,345	478,315	383,396	560,824	349,925	428,804	736,997	549,152	827,323	6,239,633
Other Expense	<u>12,500</u>	0	<u>16,644</u>	0	<u>6,250</u>	<u>5,700</u>	<u>11,250</u>	<u>5,700</u>	<u>11,650</u>	0	<u>5,700</u>	<u>5,400</u>	80,794
	63,035	638,586	847,076	405,345	484,565	389,096	572,074	355,625	440,454	736,997	554,852	832,723	6,320,427
TOTAL:	1,054,507	937,461	4,187,245	(612,007)	650,597	2,648,242	1,294,528	839,762	2,572,942	1,799,991	892,061	2,919,555	19,050,179

Note: Numbers in bold are actual.

State of Rhode Island Private Equity Unfunded Commitment
January 2012

<u>Partnership Investment</u>	<u>Total Commitment</u>	<u>ERSRI Unfunded (USD)</u>
Alta BioPharma Partners III	\$ 15,000,000.00	\$ 750,000.00
Alta Partners VIII	\$ 15,000,000.00	\$ 4,500,000.00
Aurora Equity Partners II**	\$ 15,000,000.00	-
Aurora Equity Partners III**	\$ 15,000,000.00	\$ 835,850.00
Avenue Special Situations Fund IV	\$ 20,000,000.00	-
Avenue V	\$ 20,000,000.00	-
Bain X	\$ 25,000,000.00	\$ 6,125,000.00
Birch Hill Equity Partners III*	\$ 17,926,506.00	\$ 596,011.38
Braemar Energy Ventures III	\$ 10,000,000.00	\$ 8,952,036.00
Castile III	\$ 5,000,000.00	\$ 800,000.00
Centerbridge	\$ 15,000,000.00	\$ 1,852,011.00
Charterhouse Capital Partners VIII*	\$ 19,726,455.00	\$ 2,804,735.59
Coller International Capital IV**	\$ 15,000,000.00	\$ 2,100,000.00
Coller International Capital V	\$ 15,000,000.00	\$ 3,772,500.00
Constellation III	\$ 15,000,000.00	\$ 1,500,843.15
CVC European Equity Partners III	\$ 20,000,000.00	\$ 899,966.00
CVC European Equity Partners IV*	\$ 21,699,100.50	\$ 2,665,618.07
CVC V	\$ 26,301,940.00	\$ 11,069,743.78
Fenway Partners Capital Fund II	\$ 15,000,000.00	\$ 234,106.00
Fenway III	\$ 15,000,000.00	\$ 221,906.00
First Reserve Fund X	\$ 20,000,000.00	\$ 1.00
First Reserve Fund XI	\$ 20,000,000.00	\$ 2,028,522.00
Focus Ventures III	\$ 15,000,000.00	-
Granite Global Ventures II	\$ 15,000,000.00	\$ 675,000.00
Granite Global Ventures III	\$ 15,000,000.00	\$ 1,125,000.00
Green Equity Investors V	\$ 20,000,000.00	\$ 5,557,973.00
Kayne Anderson Energy Fund III	\$ 15,000,000.00	\$ 70,811.00
Kayne Anderson Energy Fund IV	\$ 15,000,000.00	\$ 2,466,154.00
Leapfrog Ventures II	\$ 10,000,000.00	\$ 510,000.00
Leeds Weld Equity Partners IV	\$ 10,000,000.00	\$ 14,335.00
Lighthouse Capital Partners V	\$ 11,250,000.00	\$ 787,500.00
Lighthouse Capital Partners VI	\$ 15,000,000.00	\$ 2,475,000.00
LNK Partners	\$ 12,500,000.00	\$ 928,774.52
Matlin Patterson Glb. Opp. Fund (CSFB)	\$ 15,000,000.00	-
MHR Institutional Partners III	\$ 20,000,000.00	\$ 6,790,405.00
Nautic Partners V	\$ 20,000,000.00	\$ 655,589.00
Nautic Partners VI	\$ 20,000,000.00	\$ 4,359,892.77
Nordic Capital Fund III*	\$ 11,813,840.00	\$ 192,578.14
Nordic Capital Fund V*	\$ 19,220,865.96	-
Nordic Capital Fund VI*	\$ 19,726,455.00	\$ 7,826.31
Nordic VII	\$ 19,726,455.00	\$ 6,881,546.55
OCM Opportunities Fund II	\$ 12,000,000.00	-
Oaktree Capital Management Fund III	\$ 20,000,000.00	\$ 17,000,000.00

State of Rhode Island Private Equity Unfunded Commitment
January 2012

Palladin III	\$	10,000,000.00	\$	3,689,260.00
Parthenon Investors II	\$	23,960,000.00	\$	1,953,022.00
Perseus VII	\$	15,000,000.00	\$	1,972,795.00
Point 406	\$	10,000,000.00	\$	2,570,000.00
Point Judith II	\$	5,000,000.00	\$	933,845.05
Providence Equity Partners III	\$	15,000,000.00	\$	1,938,956.00
Providence Equity Partners IV	\$	25,000,000.00	\$	1,952,550.00
Providence Equity Partners V	\$	25,000,000.00	\$	2,127,638.00
Providence Equity Partners VI	\$	25,000,000.00	\$	4,330,919.00
SKM Equity Fund II**	\$	10,000,000.00	\$	1,735,947.00
Summit Partners	\$	20,000,000.00	\$	15,764,547.88
Thomas McNerney & Partners	\$	15,000,000.00	\$	825,000.00
Thomas McNerney & Partners II	\$	15,000,000.00	\$	3,637,500.00
TPG Partners IV	\$	15,000,000.00	\$	1,085,376.00
TPG Partners V	\$	20,000,000.00	\$	2,911,139.00
TPG VI	\$	10,000,000.00	\$	4,332,989.00
Trilantic IV	\$	11,098,351.00	\$	2,276,389.81
VS&A Communication Partners III	\$	15,000,000.00	\$	-
W Capital Partners	\$	15,000,000.00	\$	880,500.00
W Capital Partners II	\$	15,000,000.00	\$	3,154,416.00
Washington & Congress Capital Partners**	\$	15,000,000.00	\$	305,637.00
Wellspring Capital Partners III	\$	20,000,000.00	\$	58,611.00
Wellspring Capital Partners IV	\$	20,000,000.00	\$	295,761.00
WLR	\$	8,000,000.00	\$	1,766,449.00
			\$	-
Total Alternative Investments	\$	1,084,949,968.46	\$	162,706,483.01

*Foreign currency

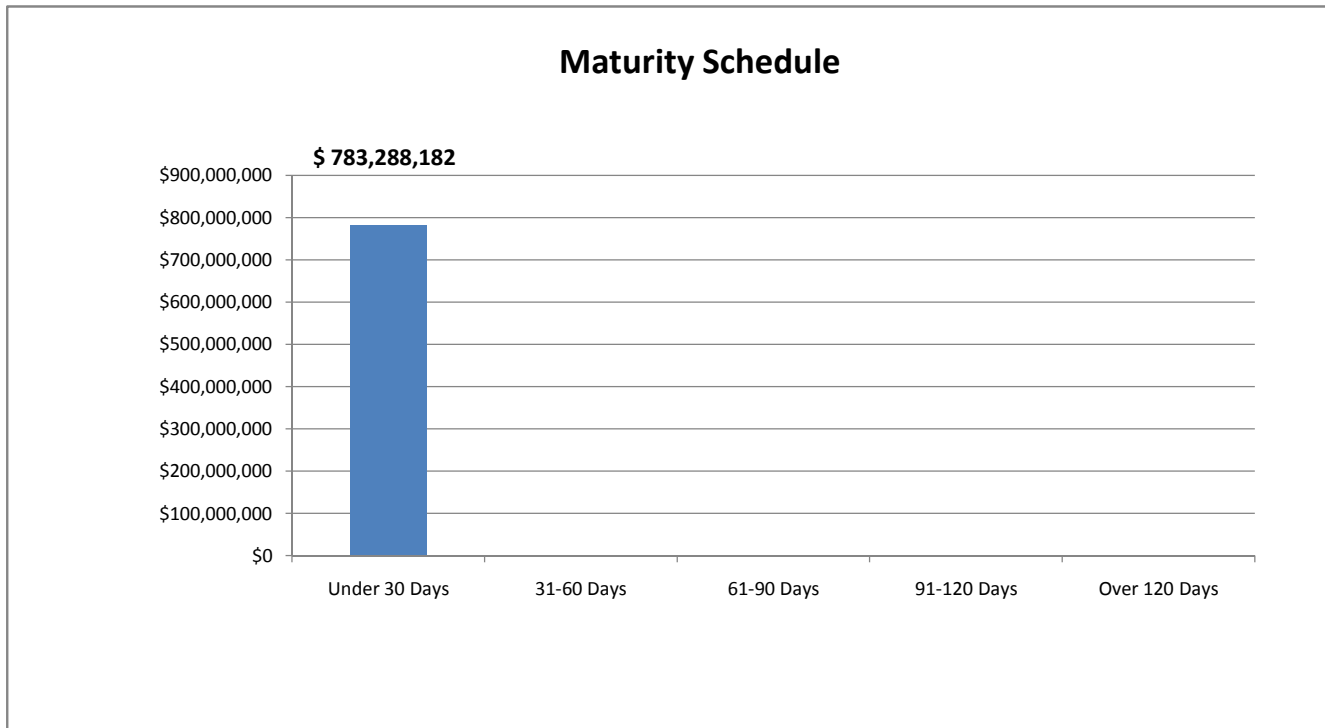
** fees NOT affecting unfunded commitment

State of Rhode Island Real Estate Investment Unfunded Commitment
January 2012

<u>Real Estate Partnership Investment</u>	<u>Total Commitment</u>	<u>ERSRI Unfunded</u>
AEW	\$ 35,000,000.00	\$ 0.40
Fillmore East Fund I	\$ 10,000,000.00	\$ 0.08
Fremont Strategic Property Partners II	\$ 15,000,000.00	\$ 1,873,108.00
GMAC/Capmark/TRECAP	\$ 15,000,000.00	\$ 2,155,117.00
JPMorgan Fleming Asset Mgmt. Strat. Prop. Fund	\$ 50,000,000.00	\$ -
JPMorgan Alternative Property Fund	\$ 20,000,000.00	\$ -
LaSalle Income & Growth Fund IV	\$ 15,000,000.00	\$ 397,937.57
Magna Hotel	\$ 4,000,000.00	\$ 1,605,323.00
Morgan Stanley Prime Property Fund	\$ 35,000,000.00	\$ -
Prudential Real Estate Investors (PRISA)	\$ 50,000,000.00	\$ -
Prudential Real Estate Investors (PRISA) II	\$ 15,000,000.00	\$ -
Starwood Hospitality Fund I	\$ 10,000,000.00	\$ -
TA Realty Fund VIII	\$ 15,000,000.00	\$ -
Tri Continental Fund VII	\$ 15,000,000.00	\$ 428,467.00
Walton Street Real Estate Fund V	\$ 20,000,000.00	\$ -
Westbrook Real Estate Fund VI	\$ 15,000,000.00	\$ 79,399.00
Westbrook Real Estate Fund VII	\$ 15,000,000.00	\$ 1,500,000.00
	\$ 354,000,000.00	\$ 8,039,352.05

SHORT TERM INVESTMENTS

Short-Term Investment Maturity Schedule & SIC Compliance Report at January 31, 2012



Vendor	CP	CD	Agency	Money Mkt	PIP	Repo	GID	Total (\$)
Guidelines-Total/Vendor	25%/10%	50%/20%	75%/35%	75%/35%	75%/35%	100%/20%	75%/35%	
Bank RI	0	15,020,064	0	0	0	0	0	15,020,064
	0%	3%	0%	0%	0%	0%	0%	3.44%
Sovereign Bank	0	0	0	0	152,894,383	0	0	152,894,383
	0%	0%	0%	0%	35%	0%	0%	34.97%
JP Morgan Chase	0	0	0	0	0	0	0	0
	0%	0%	0%	0%	0%	0%	0%	0.00%
Federated Investors	0	0	0	0	0	0	0	0
	0%	0%	0%	0%	0%	0%	0%	0.00%
Fidelity	0	0	0	72,545,007	0	0	0	72,545,007
	0%	0%	0%	17%	0%	0%	0%	16.59%
BlackRock	0	0	0	50,367,339	0	0	0	50,367,339
	0%	0%	0%	12%	0%	0%	0%	11.52%
Wells Fargo	0	0	0	0	0	0	0	0
	0%	0%	0%	0%	0%	0%	0%	0.00%
Citizens Bank	0	0	0	0	31,747,261	0	0	31,747,261
	0%	0%	0%	0%	7%	0%	0%	7.26%
Webster Bank	0	0	0	0	89,546,242	0	0	89,546,242
	0%	0%	0%	0%	20%	0%	0%	20.48%
Oppenheimer Inc	0	0	0	0	0	0	0	0
	0%	0%	0%	0%	0%	0%	0%	0.00%
Washington Trust	0	25,096,923	0	0	0	0	0	25,096,923
	0%	6%	0%	0%	0%	0%	0%	5.74%
TOTALS	-	40,116,986.65	-	122,912,346.77	274,187,885.94	-	-	437,217,219
(%) PORTFOLIO	0.00%	9.18%	0.00%	28.11%	62.71%	0.00%	0.00%	100.00%

Note: PIP + CD must be under 75%.

Actual PIP + CD:

71.89%

Note: Maximum participation by any one vendor limited to 35% of total portfolio.

State of Rhode Island
Short Term Cash Monthly Performance
Performance for
January 01, 2012 to January 31, 2012

Fund Name	Beginning Balance	Ending Balance	Average Daily Balance	Earnings	Yield(Annual)
GENERAL FUND	\$ 96,968,843.37	\$ 175,123,591.58	\$ 152,278,520.79	\$ 54,748.21	0.4233%
H.A.V.A	\$ 294.27	\$ 294.29	\$ 294.27	\$ 0.02	0.0800%
GENERAL FUND (HIST PRES)	\$ 536,099.02	\$ 536,139.89	\$ 536,099.02	\$ 40.87	0.0898%
HIGHWAY FUND	\$ 7,321,997.67	\$ 12,323,043.77	\$ 9,551,029.92	\$ 1,046.10	0.1290%
T.D.I. RESERVE (DET)	\$ 87,030,125.40	\$ 79,041,709.97	\$ 83,223,673.79	\$ 11,584.57	0.1639%
EMPLOYER PENSION CONTRIBUTION	\$ -	\$ -	\$ -	\$ -	-
RICAP GL FUND 21	\$ 86,556,400.67	\$ 82,067,024.52	\$ 84,749,949.06	\$ 10,623.85	0.1476%
BOND CAPITAL FUND	\$ 1,360,408.89	\$ 2,360,766.13	\$ 1,844,279.85	\$ 357.24	0.2281%
R.I. CLEAN WATER ACT	\$ 3,572,143.40	\$ 3,572,415.70	\$ 3,572,143.40	\$ 272.30	0.0898%
STATE LOTTERY FUND	\$ 44,767,395.69	\$ 41,772,102.70	\$ 38,322,234.40	\$ 4,707.01	0.1446%
ASSESSED FRINGE BEN ADM	\$ 1,007,011.85	\$ 1,007,088.61	\$ 1,007,011.85	\$ 76.76	0.0897%
AUTO EQUIPMENT SERVICE	\$ 900.18	\$ 900.25	\$ 900.18	\$ 0.07	0.0916%
HEALTH INSURANCE FUND	\$ 20,221,900.40	\$ 22,222,706.33	\$ 22,576,739.11	\$ 805.93	0.0420%
FLEET REVOLVING LOAN FUND	\$ 500,513.69	\$ 500,551.83	\$ 500,513.69	\$ 38.16	0.0898%
EMPLOYEES RETIREMENT	\$ 871,956.98	\$ 777,120.63	\$ 24,600,989.24	\$ 5,163.65	0.2471%
MUNICIPAL EMPLOYEES RET.	\$ 506,418.24	\$ 206,948.24	\$ 2,667,708.56	\$ 530.00	0.2339%
RETIREE HEALTH FUND	\$ 3,008,739.50	\$ 2,008,941.07	\$ 2,644,223.37	\$ 201.57	0.0898%
BOG RETIREE FUND	\$ 173,949.32	\$ 173,962.58	\$ 173,949.32	\$ 13.26	0.0898%
RIPTA HEALTH FUND	\$ 764,867.78	\$ 664,933.46	\$ 861,641.97	\$ 65.68	0.0898%
PERMANENT SCHOOL FUND	\$ 1,430,260.43	\$ 1,430,369.46	\$ 1,430,260.43	\$ 109.03	0.0898%
TEACHER RETIREE HEALTH FUND	\$ 1,383,732.28	\$ 1,383,837.76	\$ 1,383,732.28	\$ 105.48	0.0898%
UNIVERSITY COLLEGE	\$ 4,151,579.65	\$ 3,951,912.35	\$ 4,364,482.88	\$ 332.70	0.0898%
HIGHER EDUCATION	\$ 504,821.90	\$ 504,860.38	\$ 504,860.38	\$ 38.48	0.0000%
INDUS. BLDG. & MTG. INS.	\$ 3,645,818.78	\$ 3,646,096.70	\$ 3,645,818.78	\$ 277.92	0.0000%
Operating Funds Totals	\$ 366,286,179.36	\$ 435,277,318.22	\$ 436,290,377.38	\$ 91,138.86	0.245%
G.O. NOTE 1991 SER. B	\$ -	\$ -	\$ -	\$ -	-
CCDL1993A	\$ 7,385.31	\$ 7,385.31	\$ 7,385.27	\$ 0.06	0.0096%
BOND CCDL 1994 SERIES A	\$ 15,000.13	\$ 15,000.13	\$ 15,000.04	\$ 0.13	0.0102%
BOND CCBL96A	\$ -	\$ -	\$ -	\$ -	-
CAP DEV OF 1997 SERIES A	\$ 40,471.50	\$ 40,471.50	\$ 40,471.26	\$ 0.34	0.0099%
CCDL1998A	\$ 1,695,847.87	\$ 1,695,847.87	\$ 1,695,837.64	\$ 14.41	0.0100%
CCDL 1998B	\$ -	\$ -	\$ -	\$ -	-
MMG099 1999	\$ -	\$ -	\$ -	\$ -	-
BOND CAPITOL CCDL2000A	\$ 102,385.03	\$ 102,385.03	\$ 102,384.41	\$ 0.87	0.0100%
MULTI-MODAL GEN OBL 2000	\$ -	\$ -	\$ -	\$ -	-
CCDL2001C	\$ 201,328.58	\$ 201,328.58	\$ 201,327.37	\$ 1.71	0.0100%
CCDL2002B	\$ -	\$ -	\$ -	\$ -	-
CCDL 2004 SERIES A	\$ 3,056,421.84	\$ 3,049,840.41	\$ 3,052,157.36	\$ 25.92	0.0100%
BOND CCDL 2005 SERIES C	\$ 8,351,974.87	\$ 8,315,526.06	\$ 8,328,409.29	\$ 70.74	0.0100%
BOND CCDL 2005 SERIES E	\$ 1,046,095.61	\$ 916,094.90	\$ 962,218.34	\$ 8.17	0.0100%
BOND CCDL 2006 SERIES B	\$ -	\$ -	\$ -	\$ -	-
BOND CCDL 2006 SERIES C	\$ 3,721,308.16	\$ 3,517,512.01	\$ 3,589,805.06	\$ 30.49	0.0100%
GO BND-NTAX 2007 SERIES A	\$ 6,008,433.35	\$ 6,006,172.30	\$ 6,006,938.40	\$ 51.02	0.0100%
GO BND-TAX 2007 SERIES B	\$ -	\$ -	\$ -	\$ -	-
GO BND-NTAX 2008 SERIES B	\$ 474,613.61	\$ 474,613.40	\$ 474,610.60	\$ 4.03	0.0100%
GO BND-TAX 2008 SERIES C	\$ -	\$ -	\$ -	\$ -	-
CCDL10B BOND CAPITAL COMPONENT	\$ 10,792,584.84	\$ 8,943,498.64	\$ 9,599,567.46	\$ 81.54	0.0100%
CCDL10C	\$ 353,746.23	\$ 161,294.98	\$ 229,582.88	\$ 1.95	0.0100%
CCDL10D	\$ 103,916.82	\$ 103,916.82	\$ 103,916.20	\$ 0.88	0.0100%
CCDL2011A	\$ 111,842,914.42	\$ 107,049,362.11	\$ -	\$ 916.88	0.0100%
CLEAN WATER CCDL 1998B	\$ -	\$ -	\$ -	\$ -	-
CLEAN WATER CCDL 1994 (A)	\$ -	\$ -	\$ -	\$ -	-
CAP DEV. OF 1997 SERIES A	\$ -	\$ -	\$ -	\$ -	-
CLEAN WATER CCDL 2002 B	\$ -	\$ -	\$ -	\$ -	-
CLEAN WATER 2004 SERIES A	\$ 225,921.67	\$ 222,523.11	\$ 223,837.33	\$ 1.90	0.0100%
CLN WATER CCDL 2005 SER E	\$ -	\$ -	\$ -	\$ -	-
CAP DEV. OF 1997 SERIES A	\$ -	\$ -	\$ -	\$ -	-
RI POLLUT. CONT 94 SER. A	\$ -	\$ -	\$ -	\$ -	-
CCDL99A 1999A	\$ 233,212.11	\$ 222,423.03	\$ -	\$ 1.92	0.0100%
POL. CTRL CCDL 2006 SER C	\$ -	\$ -	\$ -	\$ -	-
CLEAN WATER 2007 SERIES A	\$ 283,254.47	\$ 283,254.47	\$ -	\$ 2.41	0.0100%
RI POLLUTION CONTROL 2008 B	\$ -	\$ -	\$ -	\$ -	-
CCDL10B CLEAN WATER COMPONENT	\$ 55,658.64	\$ 55,658.64	\$ -	\$ 0.47	0.0099%
CCDL2011A CLEAN WATER COMPONENT	\$ 1,260,010.70	\$ 1,260,010.70	\$ -	\$ 10.70	0.0100%
CCDL2011A POLL CTRL CMPNT	\$ 1,263,810.74	\$ 1,263,810.74	\$ -	\$ 10.74	0.0100%
Bond Proceeds Fund Totals	\$ 148,612,475.06	\$ 141,384,109.30	\$ 34,633,448.91	\$ 1,215.84	0.010%
TANS PROCEEDS	\$ 202,129,107.14	\$ 202,163,032.30	\$ 202,129,107.14	\$ 33,925.16	0.1976%
Grand Totals	\$ 717,027,761.56	\$ 778,824,459.82	\$ 673,052,933.43	\$ 126,279.86	0.186%